

EXHIBIT C

Return Date: July 24th, 2007
Time: 9:30 A.M.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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IN RE:

DUCKY INTERACTIVE, INC.,

Chapter 7
Case No. 05-23457 ASH

**NOTICE OF MOTION
PURSUANT TO RULE 9019**

Debtor

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PLEASE TAKE NOTICE, that upon the annexed application of Jeffrey L. Sapir, the Chapter 7 Trustee herein, a motion will be made before the Hon. Adlai S. Hardin, Jr., Bankruptcy Judge, at the United States Courthouse located at 300 Quarropas Street, White Plains, New York, on the 24th day of July, 2007 at 9:30 AM. for an order of compromise/settlement pursuant to Bankruptcy Rule 9019 wherein the trustee will accept the sum of \$21,554.55 in full settlement of the controversy herein; and for such other and further relief as this Court deems just and proper.

PLEASE TAKE FURTHER NOTICE, that answering papers, if any, are to be served on the undersigned and filed with the Court no less than three (3) days prior to the return date of this motion, and must comply with the Bankruptcy Court's electronic filing system in accordance with General Order M-242 and Supplemental General Order M-269.

Dated: White Plains, New York
June 19th, 2007

/s/ Jeffrey L. Sapir
Jeffrey L. Sapir (JLS 0938)
Chapter 7 Trustee
399 Knollwood Road
White Plains, New York 10603
Tel. 914-328-7272

SOUTHERN DISTRICT OF NEW YORK

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IN RE:

DUCKY INTERACTIVE, INC.,

Chapter 7

Case No.05-23457 ASH

APPLICATION

Debtor
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TO THE HON. ADLAI S. HARDIN, JR., BANKRUPTCY JUDGE:

The application of Jeffrey L. Sapir, alleges:

1. He is the Chapter 7 Trustee herein having been duly appointed as such.
2. By this application, leave is sought to compromise and settle the controversy herein.
3. The Court is well aware of the tortured history of this case.
4. The trustee, after meetings and numerous telephone calls, has, he believes, negotiated a fair settlement for all parties.
5. The trustee believes that there may be a preference and/or fraudulent conveyance cause of action against Scott Hockler and Pam Stone.
6. The trustee also believes that there may be a cause of action against Steve Lichtman and/or Saylavec, LLC for filing a false and improper proof of claim.
7. In settlement of the controversy, Scott Hockler has agreed to pay the trustee the sum of \$21,554.55 in full and final settlement of all claims against himself and Pam Stone, and the trustee will not pursue any claims against Saylavec, LLC and Steve Lichtman.
8. The estate presently has \$31,289.00.
9. The settlement will provide the following:
 - a. 100% or the sum of \$3,229.88 to pay the customer creditors (claim numbers 1, 2,

3 and 4);

b. 100% or the sum of \$2,113.67 to pay the two trade creditors (claim numbers 6 and 7);

c. Payment of \$7,500.00 in full settlement of the landlord claim (claim number 9);

d. The sum of \$25,000.00 to pay the trustee's commission and reduced attorney's fees;

e. The sum of \$15,000.00 to pay the Saylavee, LLC claim in full (claim number 5).

10. The trustee believes that the settlement is fair for both sides and will end the two-party dispute.

11. It is in the best interest of the debtor's estate that the trustee accept the offer of settlement without incurring any further expenses herein.

WHEREFORE, it is respectfully prayed that the Court approve the compromise/settlement offer in full settlement of the controversy; and for such other and further relief as may be just and proper.

Dated: White Plains, New York
June 19th, 2007

/s/ Jeffrey L. Sapir
Jeffrey L. Sapir

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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IN RE:

Chapter 7